

## Message Text

UNCLASSIFIED

PAGE 01 ROME 08158 061704Z

65

ACTION IO-10

INFO OCT-01 AGR-10 AID-05 EB-07 AF-06 ARA-10 EA-10 EUR-12

NEA-10 COME-00 ISO-00 TRSE-00 L-03 XMB-04 /088 W

----- 079780

R 061600Z JUN 75

FM AMEMBASSY ROME

TO SECSTATE WASHDC 1444

UNCLAS ROME 8158

FODAG

PASS WITCHER FAS/USDA

PASS DOBBINS BDC/COMM

E.O. 11652: N/A

TAGS: FAO, AORG, OTRA

SUBJECT: SECOND SESSION COMMISSION ON  
FERTILIZERS - JUNE 3 - 7, 1975

/SUMMARY/: WHILE RECENT EASING OF PREVIOUS TIGHT FERTILIZER SITUATION REFLECTED IN FAO DOCUMENTS, DISCUSSION BY DELEGATES, SECOND SESSION COMMISSION ON FERTILIZER CONCLUDED THAT EMERGENCY INTERNATIONAL FERTILIZER SCHEME BE CONTINUED FOR ONE YEAR BUT RECOGNIZED PROBLEM FINANCING FERTILIZER FOR MSA COUNTRIES NEEDS BE RESOLVED. LONG-TERM FORECASTS FERTILIZER SUPPLY AND THREE NUTRIENTS COMBINED PUT AT 126 MILLION TONS IN 1980/81 IS EXPECTED EXCEED DEMAND BY THREE MILLION TONS. THESE FORECASTS ARE IN LINE WITH FERTILIZER REQUIRED TO MEET FOOD DEMAND FORECAST OF WORLD FOOD COUNCIL SECRETARIAT PRESENTED SERIES OF PROPOSALS FOR WORLD FERTILIZER POLICY AIMED AT GREATER MARKET STABILITY AND MEASURES TO INCREASE FERTILIZER USE TO MEET GROWING FOOD NEEDS WHICH DELEGATES APPEARED READY TO ACCEPT. /END SUMMARY/

1. SESSION OPENED BY BOMMER, ADG/AGR DIVISION, IN PRESENCE 47 DELEGATIONS (OF WHICH 27 WERE REPRESENTED FROM CAPITOLS)  
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 ROME 08158 061704Z

WHO CALLED ON COMMISSION TO CONSIDER ACTION NEEDED TO ACHIEVE

OBJECTIVES OF A WORLD FERTILIZER POLICY FOCUSSED ON SOLUTION IMMEDIATE SHORT-TERM PROBLEMS AND ON LONG-TERM MEASURES FOR PROMOTING EXPANSION OF PRODUCTION AND CONSUMPTION OF FERTILIZERS, PARTICULARLY IN DEVELOPING COUNTRIES.

2. R.S. SWIFT OF AUSTRALIA ELECTED CHAIRMAN. VICE CHAIRMEN WERE P. FERNANDES OF INDIA AND J. TREMALS OF CUBA. DRAFTING COMMITTEE CONSISTED OF SECOND VICE CHAIRMAN AS CHAIRMAN WITH REPRESENTATIVES OF ALGERIA, COLUMBIA, NORWAY, SRI LANKA, UNITED STATES AND ZAMBIA.

3. DISCUSSION ON ALL AGENDA ITEMS COMPLETED BY END SECOND DAY. DELEGATES AND SECRETARIAT IN GENERAL AGREEMENT THAT CRITICAL WORLD SUPPLY SITUATION EXISTING AT TIME OF FIRST SESSION OF COMMISSION (JULY 1974) HAD EASED WITH WORLD FERTILIZER CONSUMPTION IN 1973/74 UP 8.3 PERCENT WITH A FURTHER GROWTH IN CONSUMPTION OF 5.6 PERCENT FORECAST FOR 1974/75. AVAILABLE WORLD SUPPLY OF THREE PRIMARY NUTRIENTS IN 1975/76 EXPECTED TO EXCEED THE FORECAST DEMAND BY ABOUT 3.9 MILLION TONS COMPARED TO ONE MILLION TONS IN 1974/75 AND ONLY 700,000 TONS IN 1973/74.

4. INTERNATIONAL FERTILIZER SCHEME REPORT ON OPERATIONS INDICATED PLEDGE OF DOLLARS 76.8 MILLION IN KIND OR CASH, OF WHICH DOLLARS 37.4 MILLION PROVIDED BY UNEO. BY END MAY 1975, IFS EXECUTED 47 ASSISTANCE OPERATIONS INVOLVING 30 RECIPIENT COUNTRIES AT COST OF DOLLARS 69.6 MILLION. IFS ESTIMATES OF FERTILIZER IMPORT REQUIREMENTS OF MSA COUNTRIES AMOUNT TO 3.2 MILLION TONS OF PLANT NUTRIENTS FOR 1975/76 FERTILIZER YEAR. CONTINUITY OF IFS FOR ANOTHER YEAR HAD GENERAL SUPPORT MOST DELEGATIONS (BOTH DONOR AND RECIPIENTS) AS AN EMERGENCY OPERATION THAT SHOULD END AS SUPPLY AND DEMAND COME INTO BALANCE AND FERTILIZER FINANCING CAN BE RELATED TO SOLUTION MSA BALANCE PAYMENTS PROBLEM.

4. ACTIVE PARTICIPATION DELEGATIONS IN DISCUSSION OTHER AGENDA ITEMS TOOK PLACE WITHOUT MAJOR CONTROVERSY BUT LIMITED SUBSTANTIVE CONTRIBUTIONS.

5. WHILE DOCUMENT ON LONGER TERM FERTILIZER SUPPLY/DEMAND UNCLASSIFIED

UNCLASSIFIED

PAGE 03 ROME 08158 061704Z

POSITION AND ELEMENTS OF A WORLD FERTILIZER POLICY AGS:F/75/7 ONLY AVAILABLE TO DELEGATES END FIRST DAY, DISCUSSION COMPLETE DURING THURSDAY WITH EXPECTATION ADOPT REPORT COB FRIDAY, ON DAY EARLIER THAN SCHEDULED.

6. EFFECTIVE DEMAND IN 1980/81 FOR COMBINED THREE PRIMARY NUTRIENTS FORECAST AT 123 MILLION TONS AND SUPPLY 126 MILLION TONS BASED ON INVESTMENTS FIRMLY PLANNED AS OF

MARCH 31, 1975. IN 1980/81, WORLD DEMAND FOR NITROGEN FERTILIZER FORECAST AT 60.6 MILLION TONS - AN INCREASE OF 47 PERCENT OVER 1974/75. WORLD DEMAND FOR PHOSPHATE FERTILIZER IS FORECAST TO REACH 33 MILLION TONS IN 1980/81, AN INCREASE OF 31 PERCENT OVER 1974/75. WORLD DEMAND FOR POTASH FORECAST AT NEARLY 30 MILLION TONS IN 1980/81 - AND INCREASE OF 34.6 PERCENT.

7. SECRETARIAT PROPOSAL FOR ELEMENTS OF A WORLD FERTILIZER POLICY SUGGESTED SEPARATE SHORT AND LONG TERM ACTIONS. THE SHORT TERM PROPOSALS WERE LIMITED TO (1) STRENGTHENING THE INTERNATIONAL FERTILIZER SCHEME THROUGH INCREASED CONTRIBUTIONS AND (2) EXPANSION OF BILATERAL FERTILIZER AID. LONGER TERM ACTIONS AIMED PRIMARILY AT GREATER FERTILIZER MARKET STABILITY AND INCREASED FERTILIZER USE TO EXPAND FOOD PRODUCTION WERE PROPOSED BY SECRETARIAT COVERING FOLLOWING AREAS OF WORK:

- 1) BASIC INFORMATION AND FORECASTING;
- 2) PRICING STABILITY (THROUGH LONG TERM CONTRACTS);
- 3) NEW INVESTMENT IN FERTILIZER PRODUCTION CAPACITY (IN DEVELOPING COUNTRIES);
- 4) CAPACITY UTILIZATION; AND
- 5) FERTILIZER PROMOTION AND EFFICIENT USE.

8. ALTHOUGH FINAL COMMISSION REPORT IS TO BE ADOPTED LATER TODAY, NO SIGNIFICANT SHIFTS IN EMPHASIS ARE ANTICIPATED WITH RESPECT TO ABOVE PROPOSALS. IF ANY MAJOR CHANGES DEVELOP, THESE WILL BE REPORTED IN A SECOND CABLE. VOLPE  
UNCLASSIFIED

UNCLASSIFIED

PAGE 04 ROME 08158 061704Z

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 06 JUN 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975ROME08158  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750198-1197  
**From:** ROME  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750673/aaaacoza.tel  
**Line Count:** 154  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION IO  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** greeneet  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 30 JAN 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <30 JAN 2003 by PhilliR0>; APPROVED <02 FEB 2004 by greeneet>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
06 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** SECOND SESSION COMMISSION ON FERTILIZERS - JUNE 3 - 7, 1975  
**TAGS:** AORG, OTRA, FAO  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006